

April

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

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JAN 29 2014

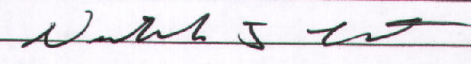
DIV. OF OIL, GAS & MINING

LARGE MINING OPERATIONS PROGRESS REPORT
January 1, 2013 to December 31, 2013

The information required in this form is based on provisions of the Mined Land Reclamation Act, Title 40-8, and the R647 rules under the Utah Minerals Regulatory Program. It is due January 31 of each year.

1. Mine Permit Number: M470010
2. Mine Name: Bonanza
3. Name of Operator/Permittee: American Gilsonite Company
Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-REV.pdf.
4. Report the gross amount of ore mined and waste moved:
Gross Ore Mined 64,392 Tons, or _____ yd³
Waste Material Moved _____ Tons, or _____ yd³
5. New disturbance created during the year 1 Acres
Area reclaimed during the year 1.5 Acres
Total disturbed area at the end of the year _____ Acres*
*The total disturbed area should not be greater than the permitted/bonded acreage
6. Briefly describe the reclamation work performed during the past year. (Submit form MR-SITE (https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-SITE.pdf) to apply for full or partial bond/site release). Attach additional sheets if needed.
See attachment
7. Include an updated map depicting surface disturbance and reclamation performed during the year (Rule R647-4-105). See attachment

I hereby certify the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Nicholas J. Lott
Title of Operator: General Manager
Signature of Operator: 
Date: 1-27-14



American Gilsonite Company
Bonanza Mine Site
29950 South Bonanza Highway
Bonanza, UT 84008
Phone: (435) 789-1921
Fax: (435) 789-1956

Monday, Jan 20, 2014

April Abate
Division of Oil Gas and Mining
1594 W North Temple Suite 1210
PO Box 14801
Salt Lake City, UT 84114-5801

RECEIVED

JAN 29 2014

DIV. OF OIL, GAS & MINING

Re: M470010- 2013 Reclamation and Disturbances for Bonanza

Dear Ms. Abate,

The purpose of this letter is to describe the reclamation and disturbances for the 2013 Large Mining Operations Progress Report (Form MR-AR Items #6 & 7). These items took place within the Bonanza area on Permit ID M470010.

The following items were part of the 2013 reclamation efforts performed by American Gilsonite Company (AGC); however, at this point AGC does not wish to apply for partial or full bond releases, but may do so at a later date.

1. Removal of the head frame at B-44 (Figure 1).
2. Removal of the hoist house at WH-16 (Figure 2).
3. Removal of items from WH-17 (Figure 2).
4. Removal of the bins, airlift pipe, and compressor from WH-19 (Figure 2).
5. Removal of hoist house and head frame from WH-18 (Figure 2).
6. Removed ore from the surface, buried the shaft cover, contoured, and reseeded LE-8 East (Figures 3 & 5). 1.5 acres were reclaimed.

The following items were part of the 2013 disturbances by AGC:

1. Built a new bath house (Figure 6). This was built on 1.5 acres of land that previously had been disturbed
2. Built a new pump house (Figure 6) on a previously disturbed area. The pump house is a 40' x 40' metal building that will be used to more effectively deliver water to the camp.
3. Put up a head frame, bins and a hoist at B-50 (Figure 7).
4. Drilled B-52 shaft (Figure 7).
5. Surface disturbance at B-54 (approximately 0.3 acres) for the purpose of establishing a future mine site (Figure 7).
6. Replaced 0.5 miles of 8" steel line with 8" poly waterline east of WH-7 (Figure 8).



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Fax: (435) 789-1956

Thank you for your time and consideration in this matter. If you have any questions, please contact me at (435) 781-4566 or email me at drichens@amgc.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Dean Richens".

Dean Richens
Environmental/Land Administrator
American Gilsonite Company

xc: Nicholas J. Lott, AGC General Manager
Michael Stiewig, BLM Vernal Office Field Manager



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Figure 1: B-44 Site- Removal of head frame shown



Figure 2: Reclamation Efforts at WH-16, WH-17, WH-18 & WH-19



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Figure 3: LE-8 East prior to reclamation



Figure 4: LE-8 East after reclamation



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Figure 5: LE-8 East Reclamation area



Figure 6: Bonanza Site new bathhouse and pump house



Figure 7: B-50, B-52, & B-54 disturbances

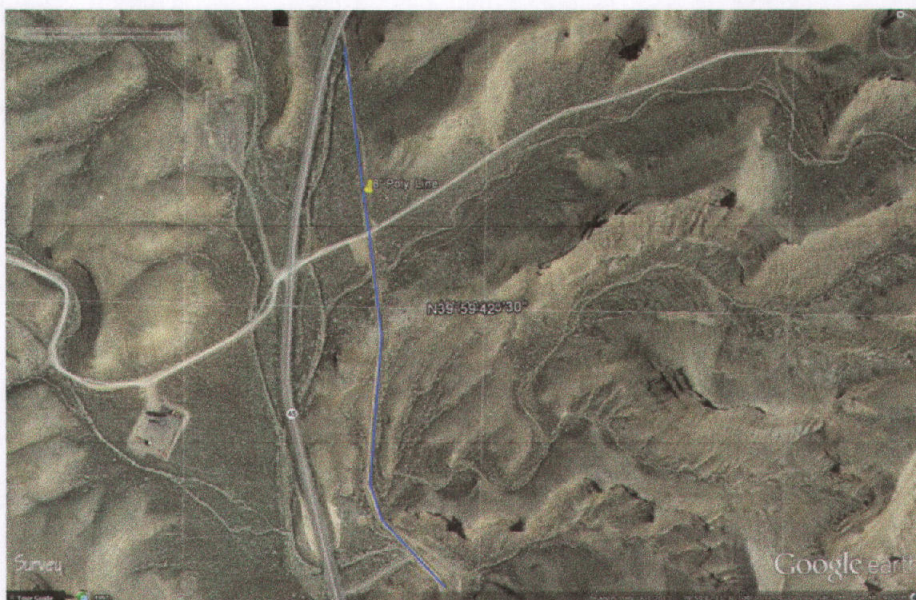


Figure 8: Buried 0.5 miles of 8" poly waterline



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Monday, January 27, 2014

Ms. April Abate
Utah DOGM
1594 West North Temple, STE 1210
Box 145801
SLC, UT 84114-5801

RECEIVED
JAN 29 2014
DIV. OF OIL, GAS & MINING

Re: January 2014 Reports

Dear Ms. Abate,

The 2014 DOGM reports are enclosed for the following leases:

E470045
E470040
M470010
M470064
S470035

Thank you for your time and consideration in this matter. If you have any questions please feel free to contact me at 435-790-3709.

Sincerely,

A handwritten signature in black ink, appearing to read "Dean Richens", written over a horizontal line.

Dean Richens
BWS Manager
American Gilsonite Company

Attachment

xc: N. Lott